

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0602-23
Bill No.: Truly Agreed To and Finally Passed SS for SCS for HS for HCS for HB 257
Subject: Taxation and Revenue - Income; Agricultural and Animals
Type: Original
Date: June 20, 2003

FISCAL SUMMARY

| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | | | |
|--|-----------------------------------|-----------------------------------|-----------------------------------|
| FUND AFFECTED | FY 2004 | FY 2005 | FY 2006 |
| General Revenue | (\$240,377 to Unknown) | (\$184,670 to Unknown) | (\$189,390 to Unknown) |
| Total Estimated Net Effect on General Revenue Fund* | (\$240,377 to UNKNOWN) | (\$184,670 to UNKNOWN) | (\$189,390 to UNKNOWN) |

| ESTIMATED NET EFFECT ON OTHER STATE FUNDS | | | |
|--|------------------|------------------|------------------|
| FUND AFFECTED | FY 2004 | FY 2005 | FY 2006 |
| Conservation Funds | \$108,333 | \$130,000 | \$130,000 |
| Concentrated Animal Feeding Operation Indemnity Fund | \$8,300 | \$8,300 | \$8,300 |
| Natural Resources Protection Fund | \$750 | \$750 | (\$8,250) |
| Total Estimated Net Effect on Other State Funds | \$117,383 | \$139,050 | \$130,050 |

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 17 pages.

| ESTIMATED NET EFFECT ON FEDERAL FUNDS | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2004 | FY 2005 | FY 2006 |
| | | | |
| Total Estimated Net Effect on <u>All</u> Federal Funds | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON LOCAL FUNDS | | | |
|--|----------------|----------------|----------------|
| FUND AFFECTED | FY 2004 | FY 2005 | FY 2006 |
| Local Government | \$0 | \$0 | \$0 |

FISCAL ANALYSIS

ASSUMPTION

Section 10.150

Officials from the **Department of Agriculture** and the **Department of Natural Resources** assume no fiscal impact.

Section 143.121

Officials from the **Department of Revenue (DOR)** assume this legislation excludes farmers from the NOL add back provisions, therefore allowing them five years to carry back any net operating losses they occur.

DOR assumes this legislation will create additional amended returns. However, DOR does not anticipate the increase to be significant and will not request additional FTE at this time.

DOR assumes the Department of Agriculture or the Office of Administration, Budget and Planning should estimate the impact of this legislation.

ASSUMPTION (continued)

Oversight assumes this legislation allows a taxpayer to carry forward certain net operating losses disallowed in last year's Senate Bill 1248. Since no costs or revenues were included in SB 1248 for reducing the limits on a NOL, **Oversight** assumes this proposal would create an unknown loss of revenue that could exceed \$100,000 in any year.

Section 148.330

Officials from the **Department of Revenue (DOR)** assume this legislation extends the new generation cooperative tax credit to include eligible new generation processing entities, authorizes the agricultural product utilization contributor tax credit to be immediately carried back to any three years, and allows these tax credits to be applied to estimated tax payments.

DOR does not anticipate a large increase in tax credits and will not request additional FTE at this time. However, if this assumption is incorrect, DOR will need one Tax Processing Technician I for every additional 5,000 credits received. Also, depending on the amount of tracking and such involved, the MINITS system and the PC system will have to be updated.

DOR assumes the Department of Agriculture or the Office of Administration, Budget and Planning should estimate the impact of this legislation.

Officials with the **Department of Insurance (INS)** assume Sections 148.350 and 148.330 are amended to allow agricultural utilization tax credits and new generation cooperative or new generation processing entity tax credits to reduce only the General Revenue Fund and not reduce any moneys received by the County Stock Fund. Section 148.330 is the taxing statutes for MO domiciled stock property and casualty insurance companies.

INS further notes that for the 2001 tax year, agricultural utilization credits of \$303,633 were taken by county stock companies. The \$303,633 credit taken by county stock companies was taken against the County Stock Fund. Legislation changes the impact of these credits from County Stock to GR only. This is an increase cost to GR when previously the credit was a reduction to the County Stock Fund.

Oversight assumes this section of the proposal makes the New Generation Cooperative tax credits utilized against premium taxes to only lower General Revenue and not the County Stock Fund.

ASSUMPTION (continued)

Sections 261.250 to 261.289

Officials with the **Department of Agriculture** assume this section of the proposal would have no fiscal impact on their agency.

Oversight assumes this portion of the proposed legislation allows Missouri producers raising agricultural crops for food, feed, industrial, and pharmaceutical uses to form a grower's district. **Oversight** assumes no direct fiscal impact on state funds.

Section 267.800

Officials with the **Department of Agriculture (AGR)** state this proposal will require AGR to take over the cervid surveillance program which currently resides with the Department of Conservation. If cervids are included in the definition of livestock, any member of the cervid family raised in captivity would fall within the jurisdiction of MDA, including all captive whitetail deer. The deer herds would be required to participate in a Chronic Wasting Disease (CWD) Program which will increase the responsibility of AGR to ensure the health and well-being of these animals. This legislation will require cervid producers to comply with all meat inspection and surveillance requirements in order to engage in interstate commerce. To ensure that these animals meet the requirements of the surveillance program, additional staff would be required. The Department of Conservation has staff in almost every county of the state who monitor and maintain the cervid surveillance program. Inspectors will be required to make onsite visits to verify data and perform physical examinations of the animals including the retrieval of brain stem tissue for CWD testing. Inspectors will need to be trained to extract brain stem tissue for CWD testing.

In order for the Cervidae Industry to engage in interstate commerce, a surveillance program must be in place to ensure healthy, safe, and high quality livestock. The Cervidae Surveillance Program was designed to insure that MDC can track and monitor the cervidae industry to insure the health, safety, and quality of the animals. The surveillance program records information on the numbers of cervidae in every herd, the health of each of the animals, and the dates of the inspections. This information must be accessible to state/federal employees and practicing veterinarians. Currently, cervides other than elk, are under the jurisdiction of MDC. The MDC Chronic Wasting Disease Program is currently voluntary, however, if this bill is enacted and these species are reclassified as livestock, the CWD surveillance will be mandatory.

AGR assumes the need for four (4) Animal Health Officers to enforce state and federal

statutes and regulations, inspect and complete inventory of livestock enrolled in a

ASSUMPTION (continued)

surveillance program, review all records pertaining to the captive cervids, verify authenticity, develop schedules and may participate in testing of suspect animals. In addition, they will advise livestock owners of program requirements to limit the spread of disease and methods of prevention and benefits of participating in AGR animal health programs. To carry out the duties assigned to these employees who will be based out of their home, provisions will be made for them to travel and equipment will be needed to complete reports as required by this office.

Officials from the **Department of Conservation (MDC)** assume that if this part of the proposal transfers captive whitetail deer to the Department of Agriculture, MDC would have the following fiscal impact:

Decrease in Revenue

This legislation would reduce the MDC's revenue from big game hunting preservers and breeder permits by approximately \$20,000 annually.

Decrease in Cost

Approximately \$150,000 is currently spent on staff time and administrative activities associated with hunting preserves and breeder operations.

MDC assumes this legislation may also impinge on the authority of the Conservation Commission to manage the fish, forest, and wildlife resources of Missouri.

Section 340.216

Officials of the **Department of Economic Development, Professional Registration (DPR)** assume this proposal allows a physical therapist or their assistant to provide rehabilitative services on animals pursuant to a written prescription from a licensed veterinarian.

After reviewing the legislation and conferring with the appropriate boards, DPR assumes the legislation, in its present form, has no fiscal impact to their agency.

Section 348.015

Oversight assumes this part of the proposal defines value-added agricultural products and

would not have a direct fiscal impact on state funds.

ASSUMPTION (continued)

Sections 348.430 and 348.432

In response to a similar proposal from this year, officials with the **Department of Agriculture (AGR)** stated that this proposal's change to Section 348.432.4 corrects legislative action from last session by adding "eligible new generation processing entity".

According to a report previously provided by the Department of Agriculture, the number of credits issued in the past three fiscal years for the Agricultural Product Utilization Contributor Tax Credit (Section 348.430 RSMo) and the New Generation Cooperative Incentive Tax Credit (Section 348.432) have been;

| | Section 348.430 | Section 348.432 | Total |
|---------|-----------------|-----------------|-------------|
| FY 2000 | \$1,537,931 | \$3,000,000 | \$4,537,931 |
| FY 2001 | \$1,299,518 | \$1,500,000 | \$2,799,518 |
| FY 2002 | \$1,115,185 | \$3,398,000 | \$4,513,185 |

Officials with the **Department of Insurance (INS)** assume Section 348.430.4 allows the tax credits to be carried back three years beginning with tax year 1999.

Section 348.432.2(5) changes definition of employee-qualified capital project to only needing 60 employees. Previously it needed 100 employees.

Since credits may now be carried back for three tax years, INS anticipates more tax credits being used.

Fiscal impact to these funds as a result of increased usage and from shifting the liability for credits to GR only is an unknown decrease to GR.

Officials from the **Department of Natural Resources (DNR)** assume this proposal would decrease the number of employees in an employee-qualified capital project from 100 to 60 in order to receive a New Generation Cooperative Incentive Tax Credit.

DNR would not anticipate any direct fiscal impact from this proposal.

Section 430.030

Oversight assumes this part of the proposal would not result in a fiscal impact to the state or to local political subdivisions.

ASSUMPTION (continued)

Sections 644.016 & 644.051

In response to similar legislation from this year, officials from the **Department of Conservation (MDC)** assumed this part of the proposal would appear to have an unknown impact on MDC funds.

Officials from the **Department of Health and Senior Services** assumes this part of the proposal would not significantly impact the operations of their agency.

Officials from the **Department of Natural Resources** state the language contained in this portion of the proposal excludes agricultural storm water discharges and return flows from irrigated agriculture from the definition of point source.

Also, it removes the fee associated with permit modifications for operating permits that are associated with a construction permit application.

The proposed legislation excludes agricultural storm water discharges and return flows from irrigated agriculture from the point source definition. DNR currently does not view these type of activities as point source, therefore this change would not impact DNR.

The proposal also modifies the DNR's permitting and enforcement efforts by removing the reference to non-point source as defined by the federal water pollution control act from the definition of a water contaminant source. On some occasions at the request of the non-point source facilities, DNR will offer them ability to obtain a permit. DNR assumes no impact will result from this provision since these facilities are not required to obtain the permit.

This bill would exempt fees on modifications to operating permits that follow the issuance of construction permits. Permit modification fees received by DNR average from \$40,000 to \$50,000 dollars annually. Permit modification costs in the upper end of the range is \$333.00 per permit based on approximately 150 permits issued each year.

Oversight assumes this part of the proposal would not have a direct fiscal impact on state funds.

Section 644.581 to 644.583

Officials from the **Department of Natural Resources (DNR)** assume this proposal authorizes the sale of \$40 million in Water Pollution and Storm Water Control Bonds to be used as noted:

ASSUMPTION (continued)

*Provide match to the federal capitalization grant for the State Revolving Fund (SRF);

*Provide funding to continue the state's 40% State Construction Grants Program for those economically disadvantaged communities that do not qualify for the SRF loan program;

*Provide funding to continue the rural water and sewer grant program and the storm water grant program; and

*Initiate loan programs under the rural water and sewer grant and storm water grant programs.

DNR assumes the proposed legislation would help promote water quality and public health improvements. Principal and interest payments would be expected to run 25 years from FY 2004. The fiscal impact would be dependent on interest rates on the bonds at the time of sale. Bonds are sold on an as-needed basis. Bond sales lag authorization by approximately 3 years.

37(e) money is approved for \$10 million to be spent as follows:

\$3 Million for the 40% State Construction Grant Program

\$2.5 Million for the Rural Water and Sewer grants

\$4.5 Million for the Clean Water State Revolving Fund (20% match required to receive Federal Funds)

37(g) money is approved for \$10 Million to be spent as follows:

\$5 Million for Rural Water grants and loans

\$5 Million for Rural Sewer grants and loans

37(h) money is approved for \$20 Million to be spent as follows:

\$10 Million for storm water grants

\$10 Million for storm water loans

According to DNR, bond sales lag authorization by approximately three years, so **Oversight** assumes there would be no fiscal impact until bonds are sold and the principal and interest payments are due.

Sections 644.600 to & 644.657

Officials from the **Office of the State Treasurer** state this proposal would not fiscally impact their agency.

Officials from the **Department of Natural Resources (DNR)** assume this proposal:

ASSUMPTION (continued)

- Allows any county, township, or another form of local government to impose regulations or local controls on the establishment, permitting, design, construction, operation, and management of any class I or II concentrated animal feeding operation;
- Removes the requirement for a Class I concentrated animal feeding operation to give notice of construction permit application to the county government, Department of Natural Resources, and adjoining property owners;
- Any owner or operator of each class 1A concentrated animal feeding operation utilizing a liquified animal waste handling facility must remit a fee of ten cents per animal unit to be used for lagoon closure activities;
- DNR may designate an animal feeding operation as a concentrated animal feeding operation if it is determined to be a significant contributor of pollutants to the waters of the state;
- Changes the broilers and nursery pigs animal unit definition; and
- Limits the eligibility for corporate or cooperative farming operations to state tax credits, deductions, state grants, loans, or other financial or economic assistance.

DNR states the regulations or local controls on the establishment, permitting, design, construction, operation, and management of any class I or II concentrated animal feeding operation may be stricter than what is in the state statute only if such controls after consultation with the respective local soil and water conservation district and are based on reasonably available empirical peer reviewed scientific and economic data that clearly documents the need and cost effectiveness. Since this provision does not change DNR's authority, no fiscal impact.

DNR states the proposed legislation increases the number of broiler animal units needed to be classified as a Concentrated Animal Feeding Operation (CAFO). DNR assumes sixty operations would not need to renew their general permit when it expires in 2006. Therefore, a decrease in the NRPF-Water Permit Fees would be \$9,000.

DNR states this proposal also decreases the number of nursery pig animal units needed to be classified as a CAFO. DNR assumes that 5 operations would be required to obtain a general permit resulting in revenues to the NRPF-Water Permit Fees of \$750.

DNR states this section of the proposed legislation also removes the construction permit public notification requirement for the class I concentrated animal feeding operation. One of the many permit application criteria DNR verifies is compliance with the public notification.

ASSUMPTION (continued)

In addition, DNR assumes that the level of comments from the public would not change as a result of this provision. Therefore, DNR will not be fiscally impacted from this provision.

In addition, the proposed legislation changes the definition of a "flush system". This change does not affect any of the facilities currently regulated under this legislation. Therefore, DNR will not be impacted by this provision.

Any corporation or cooperative engaged in farming is limited in any state tax credit, deduction, state grant, loans, or other financial or economic assistance, unless a family farm receives such assistance. Since this provision does not impact DNR's authority, DNR will not be impacted.

The proposed legislation changes the frequency of the owner or operator to inspect the structural integrity of any lagoon from at least every twelve hours for all lagoons to at least every twelve hours for only lagoons with a water level less than eighteen inches below the emergency spillway. Since this provision does not change DNR's authority, DNR will not be impacted.

The proposed legislation allows DNR to designate an animal feeding operation as a concentrated animal feeding operation if it is determined to significantly pollute the waters of the state. Under the current Clean Water Commission's powers and duties, DNR has the authority to require any facility that is determined to be significantly polluting the waters of the state to obtain a permit. Therefore, this provision would not impact DNR.

The proposed legislation modifies who must pay into the "Concentrated Animal Feeding Operation Indemnity Fund" by changing the requirement from any class IA concentrated animal feeding operation utilizing a flush system to any class IA concentrated animal feeding operation utilizing a liquefied animal waste handling facility. DNR assumes that two existing facilities would have to start paying into the fund approximately \$8,300 per year for ten years.

The proposed legislation would limit the Clean Water Commission's authority to regulate any

AFOs that have been redesignated as a CAFO. In addition, the Clean Water Commission could not designate any AFO with numbers of animals below a class II CAFO as a CAFO. These provisions would make the state's authority less stringent than the federal law; thereby causing a potential loss of delegation.

Officials from the **Department of Agriculture** assume this proposal has no fiscal impact on their agency.

ASSUMPTION (continued)

Official of the **Office of the Secretary of State (SOS)** assume this bill applies to animal feeding operations and veterinarians. Based on experience with other divisions the rules, regulations and forms issued by the Department of Agriculture and the Department of Natural Resources could require approximately 12 pages in the Code of State Regulations. For any given rule, roughly one-half again as many pages are published in the Missouri Register as are published in the Code because of cost statements, fiscal notes and notices that are not published in the Code. The estimated cost of a page in the Missouri Register is \$23. The estimated cost of a page in the Code of State Regulations is \$27. SOS estimates the cost at \$738 for FY 04. The actual cost could be more or less than the numbers given. The impact

of this legislation in future years is unknown and depends upon the frequency and length of rules filed, amended, rescinded, and withdrawn.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriations process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

Oversight has utilized DNR's revenue estimates for this part of the proposal.

Section 1

Oversight assumes this part of the proposal would not have a direct fiscal impact on state funds.

This proposal could decrease total state revenue.

| | | | |
|---|---------------------|---------|---------|
| <u>FISCAL IMPACT - State Government</u> | FY 2004 (10 Mo.) | FY 2005 | FY 2006 |
|---|---------------------|---------|---------|

GENERAL REVENUE FUNDLoss - General Revenue

| | | | |
|-----------------------|-----------|-----------|-----------|
| Carry forward of NOL* | (Unknown) | (Unknown) | (Unknown) |
|-----------------------|-----------|-----------|-----------|

Cost - Department of Agriculture

| | | | |
|--------------------------|------------|-------------|-------------|
| Personal Service (4 FTE) | (\$94,960) | (\$116,801) | (\$119,721) |
|--------------------------|------------|-------------|-------------|

| | | | |
|-----------------|------------|------------|------------|
| Fringe Benefits | (\$38,430) | (\$47,269) | (\$48,451) |
|-----------------|------------|------------|------------|

| | | | |
|-----------------------|-------------|------------|------------|
| Expense and Equipment | (\$106,987) | (\$20,600) | (\$21,218) |
|-----------------------|-------------|------------|------------|

| | | | |
|------------------|-------------|-------------|-------------|
| Total Cost - AGR | (\$240,377) | (\$184,670) | (\$189,390) |
|------------------|-------------|-------------|-------------|

| | | | |
|---|---------------------|---------|---------|
| <u>FISCAL IMPACT - State Government</u> | FY 2004 (10 Mo.) | FY 2005 | FY 2006 |
|---|---------------------|---------|---------|

| | | | |
|--|--|--|--|
| NET ESTIMATED EFFECT ON GENERAL REVENUE | <u>(\$240,377 to Unknown)</u> | <u>(\$184,670 to Unknown)</u> | <u>(\$189,390 to Unknown)</u> |
|--|--|--|--|

*Unknown loss expected to exceed \$100,000 annually.

CONSERVATION COMM FUNDSSavings - Department of Conservation

| | | | |
|--|-----------|-----------|-----------|
| Decrease in staff & administrative costs | \$125,000 | \$150,000 | \$150,000 |
|--|-----------|-----------|-----------|

Loss - Department of Conservation

| | | | |
|--|------------|------------|------------|
| Decrease in big game & breeder permits | (\$16,667) | (\$20,000) | (\$20,000) |
|--|------------|------------|------------|

| | | | |
|--|-------------------------|-------------------------|-------------------------|
| ESTIMATED NET EFFECT ON CONSERVATION COMM FUNDS | <u>\$108,333</u> | <u>\$130,000</u> | <u>\$130,000</u> |
|--|-------------------------|-------------------------|-------------------------|

**CONCENTRATED ANIMAL
FEEDING OPERATION
INDEMNITY FUND**Income - Department of Natural
Resources

| | | | |
|---------------------------|---------|---------|---------|
| Flush system requirements | \$8,300 | \$8,300 | \$8,300 |
|---------------------------|---------|---------|---------|

**ESTIMATED NET EFFECT TO
 THE CONCENTRATED ANIMAL
 FEEDING OPERATION
 INDEMNITY FUND**

\$8,300

\$8,300

\$8,300

**NATURAL RESOURCES
 PROTECTION FUND**

Income - Department of Natural
 Resources

| | | | |
|---|-------|-------|-------|
| Nursery pigs animal units classification | \$750 | \$750 | \$750 |
|---|-------|-------|-------|

| | | | |
|---|---------------------|---------|---------|
| <u>FISCAL IMPACT - State Government</u> | FY 2004 (10 Mo.) | FY 2005 | FY 2006 |
|---|---------------------|---------|---------|

Loss - Department of Natural Resources

| | | | |
|--|------------|------------|------------------|
| Broiler animal unit permits not needed | <u>\$0</u> | <u>\$0</u> | <u>(\$9,000)</u> |
|--|------------|------------|------------------|

**ESTIMATED NET EFFECT TO
 THE NATURAL RESOURCES
 PROTECTION FUND**

\$750

\$750

(\$8,250)

| | | | |
|---|---------------------|---------|---------|
| <u>FISCAL IMPACT - Local Government</u> | FY 2004 (10 Mo.) | FY 2005 | FY 2006 |
|---|---------------------|---------|---------|

\$0

\$0

\$0

FISCAL IMPACT - Small Business

This proposal could have a fiscal impact on small business.

DESCRIPTION

This bill adds and modifies provisions relating to agriculture.

STATE GRASS

KS:LR:OD (12/02)

The Missouri native grass (*Andropogon gerardii*), known as "Big Bluestem," is designated as the official state grass.

NET OPERATING LOSS

The net operating loss on agricultural activities may be carried forward for more than 20 years and carried backward for more than two years.

GROWERS DISTRICT

Missouri producers raising agricultural crops for food, feed, industrial, and pharmaceutical uses may form a grower's district.

DESCRIPTION (continued)

VALUE-ADDED AGRICULTURAL PRODUCTS

Value-added agricultural products are defined as resulting from:

- (1) The use of a crop to produce another product;
- (2) A change in the physical state of the original agricultural product;
- (3) A product whose value has been enhanced by special production methods; or
- (4) Physical segregation of an agricultural product that enhances its value as an identity-preserved marketing system.

TAX CREDITS

Agricultural Product Utilization Contributor Tax Credits and New Generation Cooperative Incentive Tax Credits may be taken against taxes owed in the year offered.

POINT SOURCE

The term "point source," defined for the purposes of the Clean Water Commission, is not to include agricultural storm water discharges and return flows from irrigated agriculture.

UNGULATES

Interstate and intrastate movement of ungulates is to be under the jurisdiction of the Department of Agriculture.

CONTAMINATED WATER

Contaminated water from an animal confinement facility or an animal waste application system, excluding lagoons, that is totally confined to the owner's property and does not reach the waters of the state is not to receive a notice of violation if the cleanup begins within 24 hours and is remediated as soon as possible.

DESCRIPTION (continued)

BONDS FOR WATER AND SEWER PROJECTS

In addition to amounts authorized prior to August 28, 2004, the bill authorizes the Board of Fund Commissioners to issue additional bonds for grants and loans pursuant to several sections in Article III of the Missouri Constitution. The authorizations are for:

- (1) \$10 million of bonds for water pollution control, drinking water system improvements, and storm water control pursuant to Section 37(e);
- (2) \$10 million of bonds for rural water and sewer projects pursuant to Section 37(g); and
- (3) \$20 million in bonds for storm water control plans, studies, and projects in first classification counties and the City of St. Louis pursuant to Section 37(h).

VETERINARIANS

Veterinarians licensed by the state are authorized to impose restrictions on animals, persons, and vehicles to prevent the spread of contagious diseases, toxic agents, or radioactively contaminated animals and poultry. Any person who obstructs the veterinarian imposing restrictions is guilty of a class A misdemeanor. A veterinarian may put a lien against livestock for nonpayment of veterinary care if the payment is one calender year overdue.

PHYSICAL THERAPIST

Licensed physical therapists or their assistants may provide rehabilitation services on animals pursuant to a written prescription of a licensed veterinarian.

CONCENTRATED ANIMAL FEEDING OPERATIONS

Provisions of Chapter 640, RSMo (Department of Natural Resources), are repealed relating to concentrated animal feeding operations and reenacted in Chapter 644 (Water Pollution) with the following changes:

(1) The Missouri Clean Water Commission is to promulgate rules regulating the establishment, permitting, design, construction, operation, and management of Class I concentrated animal feeding operations; and

DESCRIPTION (continued)

(2) Prior to filing an application to acquire a construction permit, the owner or operator of a Class IA concentrated animal feeding operation is to provide certain information to the Department of Natural Resources, the county government, and all adjoining property owners with property within one and one-half times the buffer distance.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Revenue
Department of Economic Development
Department of Agriculture
State Treasurer's Office
Department of Insurance
Department of Natural Resources
Secretary of State
Department of Conservation

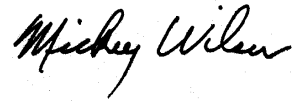
NOT RESPONDING: Office of Administration, Budget and Planning

L.R. No. 0602-23

Bill No. Truly Agreed To and Finally Passed SS for SCS for HS for HCS for HB 257

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June 20, 2003

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA

Director

June 20, 2003